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ENROLLMENT ISSUES

Open Enrollment

Current Employees

Open Enrollment for all current employees takes place in July, August and September for coverage to be effective October 1. Employees may add new types of coverage, dependent coverage or change coverage types during this Open Enrollment period. **Open Enrollment forms completed on or after October 1 will not be accepted by PEEHIP.** Pre-existing conditions will be waived on all new coverages that are effective October 1.

New Employees

New employees may enroll on their date of employment, the first day of the month following employment, or October 1. The PEEHIP ENROLLMENT FORM should be completed within **30 days of member's employment date**. If the form is not completed within 30 days, the employee will only be allowed to enroll in single hospital medical coverage effective the date the form is completed.

Waiting periods will apply on pre-existing conditions. New employees and dependents with effective dates of coverage on or after July 1 will be given waivers on the waiting periods for pre-existing conditions. Unless proof of previous coverage is received and approved by the PEEHIP office, employees with effective dates of coverage after October 1 but before July 1 will be required to serve a 270-day waiting period on pre-existing conditions.

New employees employed during the Open Enrollment period cannot enroll in the optional plans on their date of employment and cancel the plans October 1 of that same year.

Employees who decline to enroll in any PEEHIP coverages should sign a statement that all coverages were offered but the employee chose not to enroll.

Transfers

Employees who transfer from another system are considered **current** employees and must keep existing insurance coverage until the Open Enrollment period for changes to be effective October 1. *Employees transferring from one system to another **must complete a MEMBERSHIP STATUS CHANGE FORM.***

Enrollment Outside of Open Enrollment

Employees Hired After October 1

New employees hired after October 1 will be required to serve a 270-day waiting period on pre-existing conditions unless proof of previous coverage is received and approved by the PEEHIP office. These employees may enroll only on their date of employment or the first day of the month following their date of employment. New employees may add family coverage on their date of employment or within 60 days of employment.

All enrollment forms should be completed within 30 days of member's date of employment.

New employees enrolled in optional plans outside of Open Enrollment are required to retain the coverage(s) for at least one year or until the next Open Enrollment period.

Loss of Coverage

Involuntary Loss

Employees whose spouse or other dependent has an involuntary loss of hospital medical coverage will be allowed to add family coverage to existing Hospital Medical plan within **60 days** of the loss of coverage. The member must send documentation stating the reason for the loss of coverage. Members and/or dependent(s) will be required to serve a 270-day waiting period on pre-existing conditions unless proof of previous coverage is received and approved by the PEEHIP office. If PEEHIP is not notified within **60 days**, the member and/or the dependent(s) will be required to wait and enroll October 1. Employees are only allowed to enroll in the Hospital Medical plan when there has been a loss of coverage.

Examples of involuntary loss situations:

- layoffs,
- company discontinuing insurance coverage completely (not just a change in insurance carriers),
- spouse being fired,
- divorce.

Examples of loss of hospital medical coverage that are **not** considered "involuntary":

- loss of coverage due to employment strike,
- voluntary resignation or voluntary change in employment.

Voluntary Loss

The Health Insurance Portability and Accountability Act (HIPAA) does allow special enrollment periods when a member or dependent loses other hospital/medical insurance coverage in certain cases. The employee has **30 days** to request special enrollment when there has been a **voluntary** loss of other coverage. HIPAA is explained in more detail in the HIPAA section of this Manual.

An employee is eligible to drop any of the optional plans when he or she enrolls in Hospital Medical coverage due to a loss of previous coverage if he or she has had the optional plan(s) for at least one year.

When enrolling in hospital/medical coverage, the member should complete an ENROLLMENT FORM and attach a letter stating the reason for the loss of coverage from the employer through which coverage was lost. In addition, the letter should provide the employment and termination date as well as the date the insurance coverage ended. If loss of coverage was due to divorce, the member should indicate this on the form and give the exact date of divorce. If adding family coverage, the member should complete a MEMBERSHIP STATUS CHANGE FORM and provide the necessary information on dependents. The member is eligible to enroll in only the Hospital Medical plan under HIPAA.

The member may not enroll in dental or vision coverage even if it was a part of the plan under which they lost coverage.

Changes Permissible During Open Enrollment

PEEHIP Hospital Medical, HMO, or Optional Plans

- Single or family coverage enrollment
- Add dependent coverage
 - * Dependent coverage on Hospital Medical or HMO plans can be dropped the 1st day of any month following written notification to PEEHIP.
- Add additional eligible dependents
- Transfer from HMO plan to PEEHIP Hospital Medical effective October 1 or from PEEHIP to HMO Plan.

General Information

Optional Plans (Cancer, Dental, Hospital Indemnity and Vision)

- The State allocation will pay in full for the four optional plans for a full-time employee who is **not** enrolled in one of the Hospital Medical plans.
- If an employee wants to apply the State allocation to the PEEHIP Hospital Medical or one of the HMO plans, he or she may purchase one or more optional plans. The cost is \$38.00/month for each plan.
- Optional plans must be all "Single" or all "Family" plans.
- The optional plans must be retained for the entire insurance year, i.e., through September 30.
- **New employees employed during the Open Enrollment period cannot enroll in the optional plans on their date of employment and cancel the plans October 1 of that same year.**
- Members enrolled in family optional plan(s) cannot change to single optional plan(s) outside the Open Enrollment period unless **all** dependents become ineligible due to age, death or divorce.

Waiting Periods

Waiting periods on pre-existing conditions will be waived under the following conditions:

- New retiree subscribers from non-participating units who join immediately upon retirement and have Hospital Medical coverage from the non-participating unit
- Subscribers of new units joining PEEHIP
- Subscribers of an HMO plan who elect to transfer to PEEHIP Hospital Medical coverage effective October 1
- Any non-subscriber of PEEHIP who elects to enroll in the PEEHIP Hospital Medical coverage or any of the HMO plans during the Open Enrollment period